

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF INDIANA  
NEW ALBANY DIVISION

In re: \_\_\_\_\_ ) Chapter 11  
EASTERN LIVESTOCK CO., LLC, \_\_\_\_\_ ) Case No. 10-93904-BHL-11  
Debtor. \_\_\_\_\_ )  
\_\_\_\_\_ )

**TRUSTEE'S OBJECTION TO CLAIM 98 FILED BY GENE SHIPMAN**

James A. Knauer, the chapter 11 trustee appointed in this case ("Trustee"), pursuant to Rule 3007 of the Federal Rules of Bankruptcy Procedure ("Bankruptcy Rules"), hereby objects (this "Objection") to claim 98 (the "Claim")<sup>1</sup> filed by Gene Shipman ("Mr. Shipman"). The Trustee and Mr. Shipman are parties in Adv. Proc. No. 11-59093 (the "Adversary") in which the Trustee and other parties assert claims to funds interpled by Friona Industries, LP, J&F Oklahoma Holdings, Inc. and Cactus Growers, Inc. The Trustee objects to the Claim to the extent it asserts rights to the interpled funds. Because the results of the Adversary will directly impact the Claim, the Trustee requests that the Court stay further proceedings on this Objection until further notice from the Trustee or Mr. Shipman. In support of this Objection, the Trustee respectfully states:

**Jurisdiction**

1. This Court has jurisdiction over this Objection under 28 U.S.C. § 1334.

This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(B). Venue of this proceeding and this Objection is properly in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are 11 U.S.C. §§ 502,

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<sup>1</sup> All references herein to the claim number are to the number assigned to the Claim by BMC (see paragraph 5 below) and not to the number, if any, assigned to the Claim by the Court's online claims register. For further explanation, see paragraph 5 below.

506 and 507 and Rules 3001 and 3007 of the Bankruptcy Rules.

### **Background**

3. On December 6, 2010 (the "Petition Date"), an involuntary chapter 11 bankruptcy petition was filed to commence a chapter 11 case (the "Chapter 11 Case") against Eastern Livestock Co., LLC ("Debtor") in the United States Bankruptcy Court for the Southern District of Indiana, New Albany Division (the "Court").

4. On December 27, 2010, the Court entered an order approving the appointment of the Trustee and on December 28, 2010, entered an order for relief.

5. On March 17, 2011, the Court entered an order approving The BMC Group, Inc. ("BMC") as the Trustee's claims and noticing agent in the Chapter 11 Case. Pursuant to that order, BMC was authorized and directed to, among other things, maintain the official claims register ("Claims Register") for all filed proofs of claim in the Chapter 11 Case. A copy of that Claims Register and all filed proofs of claim in the Chapter 11 Case can be viewed at <http://www.bmcgroup.com/restructuring/Claims.aspx?ClientID=271>.

6. The Court entered an order confirming the *Trustee's First Amended Chapter 11 Plan of Liquidation* [Dock. No. 1490] (the "Plan") on December 17, 2012, and the Plan became effective on December 20, 2012. See Dock. No. 1675.

7. Pursuant to the Plan, the deadline for claim objections is April 19, 2013.

### **Request for Relief**

8. By this Objection, the Trustee seeks entry of an order disallowing the Claim. However, the Trustee requests that the Court stay further proceedings on this Objection pending notice from the Trustee or Mr. Shipman.

9. The Claim asserts an unsecured claim in the amount of \$47,848.50, but

Mr. Shipman may assert rights to certain of the interpled funds in the Adversary.

10. The Trustee disputes the Claim to the extent it asserts rights to the interpled funds. However, the Adversary should resolve the Claim and the relative rights in and to the interpled funds.

11. The Trustee therefore requests that the Court stay further proceedings on this Objection pending the outcome of the Adversary.

WHEREFORE, the Trustee objects to the Claim but respectfully requests that the Court stay further proceedings on this Objection until further notice from the Trustee or Mr. Shipman. The Trustee asks for all other just and appropriate relief.

Respectfully submitted,

FAEGRE BAKER DANIELS LLP

By: /s/ Dustin R. DeNeal

Terry E. Hall (#22041-49)  
Kevin M. Toner (#11343-49)  
Dustin R. DeNeal (#27535-49)  
Kayla D. Britton (#29177-06)  
300 N. Meridian Street, Suite 2700  
Indianapolis, IN 46204-1782  
Telephone: (317) 237-0300  
Facsimile: (317) 237-1000  
terry.hall@faegrebd.com  
kevin.toner@faegrebd.com  
dustin.deneal@faegrebd.com  
kayla.britton@faegrebd.com

*Counsel for James A. Knauer, Chapter 11 Trustee*

Wendy W. Ponader (#14633-49)  
600 East 96th Street, Suite 600  
Indianapolis, IN 46240  
Telephone: (317) 569-9600  
Facsimile: (317) 569-4800  
wendy.ponader@faegrebd.com

## CERTIFICATE OF SERVICE

I hereby certify that on April 19, 2013, a copy of the foregoing pleading was filed electronically. Notice of this filing will be sent to the following parties through the Court's Electronic Case Filing System. Parties may access this filing through the Court's system.

David L. Abt davidabt@mwt.net	C. R. Bowles, Jr cbowles@bgdlegal.com	John Hunt Lovell john@lovell-law.net
Mark A. Robinson mrobinson@vhrlaw.com	Jeffrey R. Erler jeffe@bellnunnally.com	Edward M King tking@fbtlaw.com
Randall D. LaTour rdlatour@vorys.com	John R. Carr, III jrciii@acs-law.com	Bret S. Clement bclement@acs-law.com
Daniel J. Donnellon ddonnellan@fclaw.com	Stephen A. Weigand sweigand@fclaw.com	John Frederick Massouh john.massouh@sprouselaw.com
John W. Ames james@bgdlegal.com	Robert Hughes Foree robertforee@bellsouth.net	Kim Martin Lewis kim.lewis@dinslaw.com
Jeremy S Rogers Jeremy.Rogers@dinslaw.com	Ivana B. Shallcross ishallcross@bgdlegal.com	Deborah Caruso dcaruso@daleeke.com
Meredith R. Thomas mthomas@daleeke.com	William Robert Meyer, II rmeyer@stites.com	Allen Morris amorris@stites.com
Charles R. Wharton Charles.R.Wharton@usdoj.gov	James Bryan Johnston bjtexas59@hotmail.com	James T. Young james@rubin-levin.net
David L. LeBas dlebas@namanhowell.com	Judy Hamilton Morse judy.morse@crowedunlevy.com	John M. Thompson john.thompson@crowedunlevy.com
Jessica E. Yates jyates@swlaw.com	John Huffaker john.huffaker@sprouselaw.com	Matthew J. Ochs kim.maynes@moyewhite.com
Laura Day Delcotto ldelcotto@dlgfirm.com	Kelly Greene McConnell lisahughes@givenspurley.com	T. Kent Barber kbarber@dlgfirm.com
Ross A. Plourde ross.plourde@mcafeetaft.com	Walter Scott Newbern wsnewbern@msn.com	Kirk Crutcher kcrutcher@mcs-law.com
Todd J. Johnston tjohnston@mcjllp.com	Timothy T. Pridmore tpridmore@mcjllp.com	Theodore A Konstantinopoulos ndohbky@jbandr.com
Karen L. Lobring lobring@msn.com	Sandra D. Freeburger sfreeburger@dsf-atty.com	Lisa Koch Bryant courtmail@fbhlaw.net
Elliott D. Levin edl@rubin-levin.net	John M. Rogers johnr@rubin-levin.net	John David Hoover jdhoover@hooverhull.com
Sean T. White swhite@hooverhull.com	Jay P. Kennedy jpk@kgrlaw.com	John R. Burns john.burns@faegrebd.com
Michael W. McClain mike@kentuckytrial.com	William E Smith wsmith@k-glaw.com	Kayla D. Britton kayla.britton@faegrebd.com
James Edwin McGhee mcghee@derbycitylaw.com	Thomas C Scherer tscherer@bgdlegal.com	David A. Laird david.laird@moyewhite.com
Jerald I. Ancel jancel@taftlaw.com	Jeffrey J. Graham jgraham@taftlaw.com	Trevor L. Earl tearl@rwsvlaw.com
David Alan Domina dad@dominalaw.com	Kent A Britt kabritt@vorys.com	Joshua N. Stine kabritt@vorys.com

Jill Zengler Julian Jill.Julian@usdoj.gov	Jeffrey L Hunter jeff.hunter@usdoj.gov	Amelia Martin Adams aadams@dlgfirm.com
Michael Wayne Oyler moyler@rwsvlaw.com	Jason W. Cottrell jwc@stuartlaw.com	Robert A. Bell rabell@vorys.com
James E. Rossow jim@rubin-levin.net	James B. Lind jblind@vorys.com	Melissa S. Giberson msgiberson@vorys.com
Steven A. Brehm sbrehm@bgdlegal.com	Anthony G. Raluy traluy@fbhllaw.net	U.S. Trustee ustregion10.in.ecf@usdoj.gov
James M. Carr james.carr@faegrebd.com	Jack S. Dawson jdawson@millerdollarhide.com	Dustin R. DeNeal dustin.deneal@faegrebd.com
Shawna M. Eikenberry shawna.eikenberry@faegrebd.com	Terry E. Hall terry.hall@faegrebd.com	Jay Jaffe jay.jaffe@faegrebd.com
James A. Knauer jak@kgrlaw.com	Erick P. Knoblock eknoblock@daleeke.com	Harmony A. Mappes harmony.mappes@faegrebd.com
Christie A. Moore cm@gdm.com	Shiv Ghuman O'Neill shiv.oneill@faegrebd.com	Wendy W. Ponader wendy.ponader@faegrebd.com
Peter M. Gannott pgannott@gannottlaw.com	Eric C. Redman ksmith@redmanludwig.com	Joe T. Roberts jratty@windstream.net
Joseph H. Rogers jrogers@millerdollarhide.com	James E. Smith jsmith@smithakins.com	Robert K. Stanley robert.stanley@faegrebd.com
Andrew D. Stosberg astosberg@lloydmc.com	Kevin M. Toner kevin.toner@faegrebd.com	Andrea L. Wasson andrea@wassonthornhill.com
Christopher M. Trapp ctrapp@rubin-levin.net	Eric W. Richardson ewrichardson@vorys.com	Joshua Elliott Clubb joshclubb@gmail.com
Jennifer Watt jwatt@kgrlaw.com	Michael Benton Willey michael.willey@ag.tn.gov	

I further certify that on April 19, 2013, a copy of the foregoing pleading was mailed by first-class U.S. Mail, postage prepaid and properly addressed, to the following:

Gene Shipman  
c/o Laura Day DelCotto  
DelCotto Law Group PLLC  
200 North Upper Street  
Lexington, KY 40507

/s/ Dustin R. DeNeal